

eral Assembly's glorious work for these institutions. The small sum of one hundred twenty-five thousand one hundred and ninety-eight dollars (\$125,198) set aside annually will redeem both issues. It is not much for the good it will do. Twelve and one-half per cent of the tax paid on insurance premiums in the State will pay it. There will be many taxpayers in the State who will pay enough taxes each to pay it.

We can easily carry the interest on the full amount under our present revenue bill without any increase in taxation.

May I, gentlemen, for the broken and defective of every description, and of both races, appeal to you to let North Carolina do the duty of an enlightened and Christian State to its feeble-minded children, its thousands of insane, its poor suffering tubercular people, its blind, its crippled children, its wrecked and morally delinquent girls and boys, and to those who cannot speak or hear or see.

Those who will pay the tax under the new revenue bill will approve. Those who believe in the religion of the Christian will approve.

May I also, gentlemen, appeal to you on behalf of the children, the boys and girls of North Carolina, to go forward with the additional bonds for the educational institutions for higher learning. It will not be an expenditure in the ordinary sense, but an investment which will yield profit more than any other the State could make. I urge at least a duplication of the last General Assembly's provision for the common school system of the State.

We must not falter. We have the strength to take the next step in our outlined six-year program. God carried us through the dark period when we could not see the way, and by His goodness gave us the strength to go on and take the next step.

#### ROAD PROGRAM

We must go on with the road program. The people expect it. We are able to go on.

I most earnestly recommend that you authorize the issue of fifteen millions additional bonds to round out the system, and place an additional tax of two cents per gallon on gasoline.

I then recommend that you set up a sinking fund of five hundred thousand dollars (\$500,000) per year to be applied to the payment of the bonds when due; one half of it from the general revenue of the State and the other half from the automobile and gasoline tax. This will not be adequate for the redemption of the whole sixty-five millions, but it will go about half-way. The first bonds are serial, and commence to fall due in ten years in equal installments, and of course will require a much larger sinking fund than if they were all forty-year bonds. I think the new bonds ought to be forty-year bonds. With a sinking fund of five hundred thousand dollars annually we can redeem part of the bonds and refund the others, if we do not want to pay all. But my confident hope is that our revenue will justify enlarging this fund from time to time until it will be adequate for their redemption. But the sinking fund mentioned will be sufficient to place the whole transaction on a very high plane, and will not oppress anybody or embarrass the State's revenues.